

**Public Employees' Retirement Board
EMPLOYEE INVESTMENT ADVISORY COUNCIL**

100 North Park Avenue, Room 201
Helena MT 59601

Thursday, February 18, 2016
1:00 pm

ATTENDANCE

Council Members

Patricia Davis, Chair
Tom Schneider, Member
Paul Spengler, Member
Tim House, Member
Amy Berry, Member
Barb Wagner, Member *(via telephone)*
Steve Hagen, Member, Excused
Jim Penner, Member
Diane Fladmo, Member
Jeff Bollman, Member
James Helgeson, Member

MPERA Staff

Jared Smith, Assistant

Public Attendees

Marty Tuttle, Board Member
Anne Cappel, Empower
Terry Smith, DC Member, Big Sky Water and Sewer *(via telephone)*

Presenters

Jon Slinger, Buck Consultants

PUBLIC/MEMBER COMMENT (1:54-3:44)

Terry Smith discussed the joint meeting with the Board his interest in making the Board of Investments pools available for participates. Mr. Smith would like to see investment opportunities that are cost effective and provides more for participates.

ACTIONS

III. Approval of EIAC meeting minutes – July 16, 2015 (3:45-4:13)

- Tom Schneider moved to approve the meeting minutes for July 16, 2015. Diane Fladmo seconded the motion, which passed unanimously.

IV. Approval of EIAC conference call meeting minutes – November 10, 2015 (4:14-5:22)

- Chair Patricia Davis requested that Marty Tuttle be moved from Council Member and listed under Board Member for attendance. Diane Fladmo moved to approve the change. Tom Schneider seconded the motion, which passed unanimously.

V. Fund Performance Review (5:23-47:57)

Market Review: (5:45-11:15)

- Jon Slinger reviewed the current standing and highlights of the Market for members of the plan. No Action taken.

457(b): (11:16-31:45)

- Jon Slinger discussed the performance of funds available in the 457(b) highlighting the under performance of the Victory Munder Mid-Cap Core fund. Tom Schneider moved for Buck Consultants to search for alternatives to replace fund to replace Victory Munder which has been on probation since May 2015. Paul Spengler seconded the motion. Motion passed unanimously.

401(a): (31:46-47:57)

- Jon Slinger discussed the performance of funds available in the 401(a) and with the exception of the Victory Munder, made no other recommendations for change. There was not a lot of underperformance within the 401(a) options. Chair Patricia Davis discussed the frustration participants have express finding good information on BlackRock collective trust fund as it is not traded on the open market. The committee agreed to continue discussion on this item. Ms. Davis will be put the discussion on the April meeting agenda. No Action Taken.

VI. Board Admin Policy 11 – Investment Policy Statement (47:58-1:10:08)

401(a)

- Jim Penner moved to add net fee rebate information to policy statement and the phrase “within the plan at the end of the quarter.” Tom Schneider seconded the motion which passed unanimously. Discussed “Socially Responsible fund” why it’s not in the 401 and is in the 457. Determined that it is hard to find one that fits. No further actions taken.

VII. Board Admin Policy 12 – Investment Policy Statement (1:10:09-1:11:03)

457(b)

- Tim House moved to add net fee rebate information to policy statement and the phrase “within the plan at the end of the quarter.” Diane Fladmo seconded the motion which passed unanimously.

DISCUSSIONS (1:11:04-1:30:04)

Discussed EZ Enrollment and Active Choice from the Joint meeting. Discussed Plan Choice rate – anticipated that cost will be paid off in March. The money will then return to participants. Ms. Davis explained that PIMCO was awarded the Stable Value Fund and RFP. Currently working out the contract. Ms. Davis requested that future EIAC meetings be moved to the last Thursday of month. Committee agreed.

The next meeting is scheduled for April 28, 2016.